UNITED STATES BANKRUPTCY COURT
FOR THE
DISTRICT OF NEW HAMPSHIRE

In Re: TRIKEENAN TILEWORKS INC. Debtor.	Chapter 11 Case No. 10-13725
In Re: TRIKEENAN HOLDINGS INC.	Chapter 11 Case No. 10-13726
In Re: TRIKEENAN TILEWORKS INC. OF NEWYORK Debtor.	Chapter 11 Case No. 10-13727 Jointly administered Case No. 10-13725-JMD

APPLICATION OF THE DEBTOR
FOR CONTINUED AUTHORITY TO USE CASH COLLATERAL

NOW COMES Trikeenan Tileworks Inc., debtor and debtor-in-possession ("Debtor"), through counsel, pursuant to 11 U.S.C. Section 363, Bankruptcy Rule 4001(b) and LBR 4001 and requests an Order authorizing the continued use of cash collateral for the next sixty (60) days, or through March 30, 2011. In support of this motion, Debtor states as follows:

1. On August 30, 2010, Debtor filed a Chapter 11 petition with this Court. Debtor. The two affiliates of the debtor, Trikeenan Holdings Inc and Trikeenan Tileworks Inc of New York, have also sought Chapter 11 relief.

2. Pursuant to 28 U.S.C. Sections 157 and 1334, this Court has jurisdiction over this matter, and it is a core proceeding. Venue is proper pursuant to 28 U.S.C. sections 1408 and 1409. By Order dated August 31, 2010, this Court authorized the emergency use of cash collateral through September 25, 2010. Subsequent orders have been entered authorizing the use of cash collateral through January 31, 2011. By Order dated September 3, 2010, this Court entered an Order directing the joint administration of the above-captioned cases.

3. Debtor manufactures and sells tiles for use in building and interior design. The New Hampshire operation has focused on artisan and specialty tiles while the New York operation has historically manufactured higher volume, more industrial grade tile known as “field tile.” Unfortunately for the Debtor, the New York facility began operations in mid- 2008, just after a major investment in state of the art equipment and just before a devastating downturn in the economy. The resulting weakness in the building industry limited the debtor’s cash flow and hampered its ability to grow. The New York facility faces high equipment loan and rent expenses, and it also operates twenty- four hours a day resulting in high utility costs. By early 2010, Debtor was in arrears on both equipment loans and rent for the New York facility. Adverse legal action by the New York landlord forced the Debtor and its affiliates to seek Chapter 11 relief.

4. In addition to its manufacturing, the New Hampshire debtor handles all

the marketing and sales, collects all accounts receivable and pays most expenses for both Trikeenan NH and Trikeenan NY. Other than local payroll and petty cash, all operating expenses for the New York operation are paid by the Debtor.

5. As of the Petition date, TD Bank is the only creditor with an interest in cash collateral. Debtor owes TD Bank $137,240 arising from a line of credit loan, secured by cash collateral, and approximately $80,055 arising from an equipment loan. As of January 7, 2011, Trikeenan NH cash collateral levels stood at about $ 147,780 in cash, $ 77,191 in accounts receivable and $ 121,633 in inventory. Cash collateral levels have remained generally stable throughout the case.

6. During the sixty (60) days ending March 30, 2011, Debtor projects cash receipts totaling at least $456,000 . Debtor also anticipates being awarded at least one of the following large jobs: Long Island Hospital $250,000, Australian job $750,000, which would involve a 30-50% deposit.

7. On the basis of monthly cash flow projections prepared by the Debtor, Debtor will need the use of at least $402,956.63 over the next sixty (60) day cash collateral period to meet necessary operating expenses, plus possible increased expenses for materials necessary to the large potential contracts outlined above. Attached hereto and incorporated by reference herein as Exhibit A is the Affidavit of Kristin Powers, President, indicating anticipated monthly cash flow and cash needs through March 30, 2011.

8. Without the use of cash collateral, Debtor will be unable to satisfy necessary insurance, utility, payroll, adequate protection, tax and other necessary

operating expenses and will be unable to preserve the value of the Debtor's operation. To provide adequate protection of the security interest of TD Bank in cash collateral and to protect the interest of other creditors, Debtor needs to use the above-described cash collateral. Debtor requests the authorization to use up to $ 402,956.63 in cash collateral from operations from February 1, 2011 through March 30, 2011.

10. As adequate protection, Debtor proposes to grant TD Bank a continuing replacement lien in cash collateral arising post-petition to the same extent and in the same priority as those liens existed on August 31, 2010. Debtor will continue provide financial reporting to TD Bank in accordance with the Order dated November 17, 2010 authorizing the continued use of cash collateral through January 31, 2011.

11. The above liens will be granted by the Debtor without prejudice to the future rights of the Debtor, creditors and any creditors committee or other party in interest to challenge the validity, priority and enforceability of any such lien. This post-petition lien will also be subject to Debtor's future right to seek debtor-in-possession of financing pursuant to 11 U.S.C. §364.

WHEREFORE, Debtor respectfully requests:

A. That this Court enter an order authorizing the Debtor to use up to $402,956.63 in cash collateral, in accordance with Debtor's cash flow projections, through the close of business on March 30, 2011, subject to the terms and conditions of this application;

B. Such other and further relief as is just.

Respectfully submitted,

Trikeenan Tileworks Inc.

By its Attorneys,

BERNSTEIN, SHUR, SAWYER &
NELSON, P.A.

Date: 10 January 2011

By: /s/Jennifer Rood

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